

A Regular Meeting of the City Council of the City of Hickory was held in the Council Chamber of the Municipal Building on Tuesday, July 19, 2016 at 7:00 p.m., with the following members present:

	Aldermen	Hank Guess David P. Zagaroli Jill Patton
Danny Seaver		

A quorum was present.

Also present were: Interim City Manager Andrea Surratt, Deputy City Attorney Arnita Dula, City Attorney John W. Crone, III, Deputy City Clerk Cari Burns and City Clerk Debbie D. Miller

City Attorney John Crone advised that a quorum was present and as the first order of business, since the Mayor and the Mayor Pro Tempore were absent, Council would nominate an individual to conduct the meeting.

Alderman Zagaroli moved, seconded by Alderman Seaver that Alderman Guess conduct the meeting. The motion carried unanimously.

- I. Alderman Guess called the meeting to order. All Councilmembers were present except for Mayor Wright, Alderman Lail, and Alderman Tarlton
- II. Invocation by Rev. Wil Posey, Associate Pastor, First United Methodist Church
- III. Pledge of Allegiance
- IV. Special Presentations

A. Recognition of Retiring Boards and Commissions Members

Citizens Advisory	Mark Huggins
Community Appearance	Debbie Rush Sam Hunt Janet Painter Candas Brown Andrew Straw David Moser
Community Relations	Darrell Rogers
Hickory Regional Planning Commission	Barbara Clemmons
Historic Preservation	Sarah Huffman Larry Triplett Steven Walker
Library Advisory	Juanita Dula
Parks & Recreation	Joyce Beard Angie Aycock
Public Art Commission	Phil Barringer
Recycling Advisory	Charlie Hayes Jeff Bartlett Jeff Wright
Youth Council	Grace Bollinger Tyler Cochrane Landen Linkous Jenny Kerley Paul Wood Emily Childers Andrew Howard Alanna Church Kyle Chang Emmy Williams Mary Kathryn Cockerham

Alderman Guess recognized all of the retiring boards and commissions members and presented those in attendance with certificates in appreciation for their service. In attendance were: Barbara Clemmons, Sarah Huffman, Steven Walker, Joyce Beard, Charlie Hayes, Jeff Wright, Tyler Cochrane, Landen Linkous, Jenny Kerley, and Andrew Howard.

- V. Persons Requesting to Be Heard

- A. Dr. J.D. Robinette, 1850 Clement Blvd. NW, Hickory, Discussion of Business Signage.

Dr. J.D. Robinette advised he had served on many boards and he was a businessman in a dead part of the town. He commented that 321 north going out of Hickory was more like a graveyard than the biggest cemetery in town. Businesses are dying in that location and everybody is trying to do something about it. He advised that he moved here in 1998, and his dental facility is one of the best designed and best built on the east coast. He commented that he had experienced some theft during his time there. He advised that there were 12 street lights out between the bridge coming out of Northlakes and his office which is 1.5 miles away. He had joined an insurance pool and had put signs out advertising the insurance companies that his practice accepts. He was given a ticket for having the street signs on his property. He was threatened with a \$100 a day fine per sign, so he paid \$52. Dr. Robinette offered two solutions. The first solution was to do away with the ordinance for the people who are settled. He advised Council should allow the proprietors to put signs up, and maybe put a time limit on it, for example 90 days. The second solution was to make a permit where they could pay a dollar, or something reasonable, rather than threaten somebody with a \$100 a day fine. He also suggested they give ample time to respond to these types of notices.

Alderman Guess asked Dr. Robinette if he had spoken to Staff concerning these issues.

Dr. Robinette advised he was told there wasn't anything that he could do about, it was an ordinance ban so he would have to pull them down. Pretty cut and dry.

VI. Approval of Minutes

- A. Regular Meeting of June 21, 2016

Alderman Patton moved, seconded by Alderman Zagaroli that the Minutes of June 21, 2016 be approved. The motion carried unanimously.

- B. Special Meeting of June 28, 2016.

Alderman Seaver moved, seconded by Alderman Patton that the Special Meeting Minutes of June 28, 2016 be approved. The motion carried unanimously.

VII. Reaffirmation and Ratification of Second Readings. Votes recorded on first reading will be reaffirmed and ratified on second reading unless Council Members change their votes and so indicate on second reading.

Alderman Patton moved, seconded by Alderman Zagaroli that the following be reaffirmed and ratified on second reading. The motion carried unanimously.

- A. Approval of the Community Development Block Grant Funding Agreement between the City of Hickory and Safe Harbor Rescue Mission. (First Reading Vote: Unanimous)
- B. Approval of the Community Development Block Grant Funding Agreement between the City of Hickory and AIDS Leadership Foothills-Area Alliance, Inc. (First Reading Vote: Unanimous)
- C. Approval of Two Municipal Participation Agreements with North Carolina Department of Transportation. (First Reading Vote: Unanimous)
- D. Acceptance of the Bid and Award of the Contract to Carolina Courtworks in the Amount of \$35,839 for Construction of Hickory Optimist Park Pickleball Court. (First Reading Vote: Unanimous)
- E. Approval of a Contract with JK Landscaping & Grading in the Amount of \$44,200 for Improvements to Southside Heights Park. (First Reading Vote: Unanimous)
- F. Budget Ordinance Amendment Number 25. (First Reading Vote: Unanimous)
- G. Capital Project Ordinance Number 4. (First Reading Vote: Unanimous)
- H. Consideration of Rezoning Petition 16-03 for Hilton Materials, LLC for Rezoning of approximately 8.09 acres of property located at 1360 11th Avenue SE. The petition is to rezone the property from Regional Commercial (C-3) to Industrial (IND). (First Reading Vote: Unanimous)
- I. Approval of a Contract with Rite Lite of Concord in the Amount of \$453,044.30 for Wayfinding Signs along Major Gateways in Hickory. (First Reading Vote: Unanimous)

- J. Approval of a Contract with Andrea Surratt for Interim City Manager. (First Reading Vote: Unanimous)
- VIII. Consent Agenda: All items below are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member so requests. In which event, the item will be removed from the Consent Agenda and considered under Item IX.

Alderman Guess moved, seconded by Alderman Seaver approval of the Consent Agenda. The motion carried unanimously.

- A. Approved on First Reading Acceptance of an Offer to Purchase Property, PIN 3724-18-31-3226, in the Amount of \$6,000, Located East of 25th Street NE, Hickory.

Staff requests approval of the purchase of property located east of 25th Street NE, PIN 3724-18-31-3226, Lot 4 in the E.O. Hefner Estate Unrecorded Subdivision, containing approximately 2.09 acres. The property is currently owned by Margaret Louise Barger, Richard Barger, Frances H. Hallman, Donna Kay Parker, and Larry Parker. Public Utilities plans to purchase the property in order to run a sewer line through it. The tax value of the property is currently \$16,300. The property is currently landlocked, which would make building on the property difficult. The property owners have offered the property to the City for the purchase price of \$6,000. Public Utilities acquisition funds are available to purchase the property which will assist Public Utilities in the Random Woods Sewer Project. Staff recommends Council's approval of the offer to purchase this property, (PIN 3724-18-31-3226) in the amount of \$6,000.

- B. Accepted the Donated Surplus Code 3 Light Bars from 144th Marketing Group.

Hickory Police Department requests Council's approve to accept donated surplus Code 3 Light Bars from 144th Marketing Group. 144th Marketing Group would like to donate surplus Code 3 Light Bar sets valued at \$1,000 to be installed at the Hickory Police Department firing range for the nighttime qualification for each officer as mandated by State requirements. The City of Hickory Building Services will install the blue lights. The current blue lights installed at the Hickory Police Department's firing range are over 15 years old and are starting to fail. Hickory Police Department recommends Council approve the acceptance of the donated surplus Code 3 Light Bar sets valued at \$1,000 from 144th Marketing Group.

- C. Approved the Renewal of Taxicab and Other Passenger Vehicles for Hire Franchises.

Company	Taxicabs	Passenger Vehicle for Hire
Mile High Enterprises dba The Hickory Hop	0	7
Yellow Cab	13	1
Diamond Cab of Hickory	3	0
Hickory Limousine	0	3
Total	16	11

Annually, these companies apply for a renewal of their Certificate of Convenience and Necessity for the operation of taxicabs and other vehicles for hire.

- D. Approved on First Reading the Community Development Block Grant Funding Agreement between the City of Hickory and Greater Hickory Cooperative Christian Ministry.

In February 2016, the City of Hickory's Department of Planning and Development Services requested applications from local nonprofit organizations for funding under the Community Development Block Grant (CDBG) Program. The Citizen's Advisory Committee reviewed and recommended funding for these applications as part of the City's Annual Action Plan. The Annual Action Plan was approved by City Council following a public hearing on May 3, 2016. The Community Development Block Grant Funding Agreement describes the requirements for the City and Greater Hickory Cooperative Christian Ministry to ensure that all applicable federal regulations are met. Funds will be used to assist the NETworX Catawba Program which is a 15 week program that provides training to individuals looking to break the cycle of generational poverty. Greater Hickory Cooperative Christian Ministry has requested and been approved for funding in the amount of \$8,000 through the City of Hickory's Community Development Block Grant program. Staff recommends approval of the CDBG funding agreement between the City of Hickory, North Carolina, and Greater Hickory Cooperative Christian Ministry.

- E. Approved on First Reading the Community Development Block Grant Funding Agreement between the City of Hickory and Habitat for Humanity of the Catawba Valley, Inc.

In February 2016, the City of Hickory's Department of Planning and Development Services requested applications from local nonprofit organizations for funding under the Community

Development Block Grant (CDBG) Program. The Citizen's Advisory Committee reviewed and recommended funding for these applications as part of the City's Annual Action Plan. The Annual Action Plan was approved by City Council following a public hearing on May 3, 2016. The Community Development Block Grant Funding Agreement describes the requirements for the City and Habitat for Humanity of the Catawba Valley to ensure that all applicable federal regulations are met. Funds will be used for rehabilitation of owner occupied single family residences with households earning less than 80 percent of the area median income. Habitat for Humanity of the Catawba Valley has requested and been approved for funding in the amount of \$30,000 through the City of Hickory's Community Development Block Grant program. Staff recommends approval of the CDBG funding agreement between the City of Hickory, North Carolina, and Habitat for Humanity of the Catawba Valley, Inc.

- F. Approved the Special Event Activities Application, The Favor Center Church Outdoor Worship Service, Ritchie Naraidu, Church Administrator, The Favor Center Church, September 10, 2016, 4:00 p.m. to 10:00 p.m., Sails on the Square.
- G. Approved the Special Event Activities Application, 2016 Walk to End Alzheimer's – Hickory, Meghan Lawton, Regional Manager, October 29, 2016, 7:00 a.m. to 1:00 p.m., L.P. Frans Stadium.
- H. Approved the Special Event Activities Application, NC Foothills Race for the Cure, Gina Simmons, Event and Development Coordinator, Susan G. Komen Northwest NC, Set Up: October 14, 2016 at 8:00 a.m., Event Date/Time: October 15, 2016, 8:00 a.m. to 2:00 p.m., LP Frans Stadium.
- I. Approved on First Reading the Application Development Contract in the Amount of \$87,996 with Western Piedmont Council of Governments to Provide Continued Services and Support for Fiscal Year 2016/2017.

Western Piedmont Council of Governments has provided many departments of the City with application development and general GIS services for many years. The services they provide continue to be a valuable resource to the Council, City Staff, and the members of the community at large. Staff recommends approval of the Application Development Contract with Western Piedmont Council of Governments in the amount of \$87,996 to provide continued services and support for fiscal year 2016/2017. Funds are included in FY2016/2017 budget.

- J. Approved on First Reading the Technical Assistance Services Contract in the Amount of \$74,340 with Western Piedmont Council of Governments to Provide Continued Services and Support for Fiscal Year 2016/2017.

Western Piedmont Council of Governments has provided many departments of the City with application development and general GIS services for many years. The services they provide continue to be a valuable resource to the Council, City Staff, and the members of the community at large. Staff recommends approval of the Technical Assistance Services Contract with Western Piedmont Council of Governments in the amount of \$74,340 to provide continued services and support for fiscal year 2016/2017. Funds are included in FY2016/2017 budget.

- K. Approved on First Reading the Renewal of the Agreement with Western Piedmont Council of Governments to Support the Western Piedmont Stormwater Partnership for Phase II Public Education.

The City was issued an NPDES Phase II Stormwater Permit by the North Carolina Department of Environment and Natural Resources on July 1, 2005. One of the requirements of the permit in the Public Education and Outreach Minimum Measure is that the City develop and implement a public education and outreach program to raise public awareness on the causes and impacts of stormwater pollution. Staff requests approval of the renewal contract with the Western Piedmont Council of Governments (WPCOG) to implement the National Pollutant Discharge Elimination System (NPDES) Phase II Public Education program through the Western Piedmont Stormwater Partnership. This agreement is for an amount that shall not exceed \$11,033. Funds are available from the current stormwater budget. Staff recommends City Council's approval of the renewal agreement with the WPCOG for assistance in implementation of the NPDES Phase II public education and outreach program for an amount not to exceed \$11,033.

- L. Approved the Acceptance of a Cemetery Deed from Laura H. George and husband Samuel D. George Jr. (Oakwood Cemetery, Plot X, Lot No. 3&4, Section 57A) (Prepared by Deputy City Attorney Arnita M. Dula). Approved the Transfer of a Cemetery Deed from the City of Hickory to Laura H. George and husband Samuel D. George Jr. (Oakwood Cemetery, Plot W, Lot No. 1&2, Section 57A, Containing 80 Square Feet) (Prepared by Deputy City Attorney Arnita M. Dula).

The exchange of these cemetery plots is due to mature shrubbery/trees being located on the lots currently owned by the George's. These plots are no longer suitable for interment, therefore the City is exchanging lots with the George's so they may have plots that are usable.

- M. Called for a Public Hearing for Consideration of Designating Lyerly Full Fashioned Mill as a Local Historic Landmark. (Authorize Public Hearing for August 2, 2016, at 7:00 p.m. in Council Chambers of the Julian G. Whitener Municipal Building).
- N. Approved the Certificate of Sufficiency and Preliminary Resolution Relative to Street Improvements along a Portion of the North Side of the 3300 Block of 48th Avenue Lane NE, Petition No. 16-02. (Authorize Public Hearing for August 16, 2016, at 7:00 p.m. in Council Chambers of the Julian G. Whitener Municipal Building).

Certificate of Sufficiency
(No. 16-02)

I, Debbie D. Miller, City Clerk of the City of Hickory, North Carolina, do hereby certify that the annexed petition of property owners for the improvement of a portion of 3313 48th Avenue Lane NE, Hickory was lodged with me on the 7th day of July, 2016, and that I have investigated the sufficiency of said petition; and that the results of my investigation are as follows:

The total number of owners of land abutting on the parts of said street proposed by said petition to be improved is one (1). The number of said owners who signed said petition is one (1), a majority.

The total number of lineal feet of said lands upon the parts of the street proposed by said petition to be improved is 248.52 feet. The number of said lineal feet represented by said owners who signed said petition is 248.52 feet, a majority.

For the purposes of said petition a majority in interest of owners of undivided interest in any piece of property have been deemed and treated by me as one person.

I find that the said petition is in all respects sufficient and in conformity with all requirements of Chapter 160 A, Article 10 of the General Statutes of North Carolina, as amended. I find also the parts of said street proposed by said petition to be improved have been definitely laid out, and that the boundaries of same have been definitely fixed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Hickory, this the 7th day of July, 2016.

/s/ Debbie D. Miller

RESOLUTION NO. 16-13

PRELIMINARY RESOLUTION
OF THE CITY COUNCIL OF THE CITY OF HICKORY
(NO. 16-02)

WHEREAS, on the 7th day of July, 2016, property owner of 3313 48th Avenue Lane NE, filed with the City Engineer of the City of Hickory a petition for improving said street by placing and constructing thereon curb and gutter according to plans and specifications on file in the Office of the City Engineer; and

WHEREAS, the City Clerk has certified to this Board that said petition is sufficient in all respects.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HICKORY:

1. That the above-mentioned petition is found to be sufficient in all respects.
2. That, that portion of 3313 48th Avenue Lane NE be improved by placing and constructing thereon curb and gutter in accordance with plans and specifications on file in the Office of the City Engineer under and by virtue of Chapter 160A, Article 10 of the General Statutes of North Carolina, and that said improvements be done by the City of Hickory or by contract after due notice and advertisement for bids, as outlined by Chapter 143, Section 129 of the General Statutes of North Carolina.
3. That 50 percent of the total cost of the said improvements may be assessed against the property receiving the improvement for constructing curb and gutter -

\$24.00 per linear foot plus \$0.00 per linear foot for storm drain piping for a total of \$24.00 per linear foot excluding driveway cuts and \$48.50 per linear foot of driveway apron measured at its narrowest point plus \$0.00 per linear foot for storm drain piping for a total of \$48.50 per linear foot of driveway apron.

4. That the assessment herein provided for shall be payable in cash, or if the property owners shall so elect, in accordance with Chapter 160A, Sections 232 and 233 of the General Statutes of North Carolina, they shall have the option and privilege of paying the assessment in five (5) equal annual installments, to bear interest at the rate of 8 percent per annum.
5. That a public hearing on all matters covered by this resolution shall be held on August 16, 2016, at 7:00 p.m. in the Council Chamber of the Julian G. Whitener Municipal Building, located at 76 North Center Street, Hickory, North Carolina.
- O. Approved on First Reading Retirement of Police Canine Gino and an Agreement to Allow Police Canine Gino to be adopted by Handler MPO Marcus Chapman.

The Hickory Police Department will retire police canine, Gino from service on July 1, 2016 due to injury after seven years of service. His handler, MPO Marcus Chapman, would like to adopt him after his retirement and would like to assume responsibility and care of the canine. Gino has a special skill set due to his previous training as a police dog, and because of this training he is a danger to public welfare, and may be adopted by his handler. Staff requests approval to retire canine Gino on July 1, 2016 and approval of the Retiring Canine Agreement allowing MPO Marcus Chapman to adopt Gino.

- P. Approved an Amendment to the FY 2016/2017 Fee Schedule.

City Council approved the annual FY 2016/2017 Fee Schedule on June 21, 2016 along with the annual Budget Ordinance. Following this action Staff realized there were several omissions and misstated fees on the initial draft presented to City Council. The following items include the additions and specific fees to be amended. The City's practice has been to increase service fees according to the most recent Consumer Price Index, (currently 0.7%) with the resulting fee rounded either up or down to the nearest quarter-dollar. The following adjustments adhere directly to that practice or require adjustment due to other factors as noted:

- Under Fire Department "Thirty-six Month Inspections," add "Mercantile (more than 10 tenants)" at \$278.00. Note: This one fee replaces the former categories of "11 to 20 tenants" and "more than 20 tenants" which had been charging \$276.00 and \$552.00 respectively.
- Under Fire Department Construction Permits, change Automatic Sprinkler System Installation (per sq. ft.) and Fire Alarm and Detection System Installation (per sq. ft.) from \$0.01 to \$0.0149. This specific amount was, in fact, entered correctly into the spreadsheet but the display cell rounded it to two decimal places.
- Cemetery:

Cemetery Lots	14-15	15-16	Current	Corrected
Oakwood (must purchase two lots and not pre-need)	\$1029 each	\$1029 each	\$1029 each	\$1036.25 each
Fairview	\$729	\$734.75	\$734.75	\$740
Southside	\$729	\$734.75	\$734.75	\$740
Baby Grace with identification marker	\$729	\$734.75	\$734.75	\$740
Cemetery Permits				
Internment Permit	\$61.75	\$62.25	\$62.25	\$62.75
Monument Permit	\$12.50	\$12.50	\$12.50	No change
Inurnment Permit	\$12.50	\$12.50	\$12.50	No change
Niche Opening After Initial Inurnment	\$180.75	\$182.25	\$182.25	\$183.50
Columbarium				
Single Niche	\$1480.50	\$1492.25	\$1492.25	\$1502.75
Double Niche	\$2220	\$2237.75	\$2237.75	\$2253.50

- Shuford Garden Rental: Change from \$173.25 to \$174.50.
- Recycling:

Change "Residential Recycling Bags (tax included)" to read "Residential Recycling Bags, Clear (tax included)". Reduce the fee from \$17.25 back to \$17.00 which, without the CPI increase, more accurately reflects the actual cost of the product.
- Sanitation:

Change “Residential Trash Bags (per hundred) (tax included)” to read “Residential Trash Bags, Black (per hundred) (tax included)”. Reduce the fee from \$17.25 back to \$17.00 which, without the CPI increase, more accurately reflects the actual cost of the product.

The following Commercial Waste fees must be amended due to limitations in the billing process software that require twice-per-month collections to be billed at double the rate of once-per-month accounts. This in effect requires the new fee to be slightly higher than the CPI rate of 0.7%:

- 4 yard BC – 2 pickups per month: change from \$19.75 to \$20.00
- 6 yard BC – 2 pickups per month: change from \$31.25 to \$31.50
- 8 yard BC – 2 pickups per month: change from \$37.25 to \$37.50

- Parks & Recreation:

Correct Henry Fork River Regional Recreation Park Non-Resident Full Day (8 hours) 2015-2016 fee from \$569.00 to \$269.00 and update 2016-2017 fee to \$288.00.

Q. Approved a Resolution for Two Additional Commissioners on the Hickory Public Housing Authority.

Pursuant to North Carolina General Statute 157-5 (a) allows the number of commissioners to consist of not less than five nor more than eleven commissioners appointed by the Mayor. The recommendation is for Hickory City Council to approve a Resolution increasing the current number of commissioners on the Public Housing Authority Board from seven to nine, effective July 19, 2016.

RESOLUTION 16-14

RESOLUTION OF THE HICKORY CITY COUNCIL

BE IT RESOLVED by the City Council of the City of Hickory, North Carolina:

WHEREAS, The City of Hickory heretofore adopted a Resolution organizing and constituting the City of Hickory Public Housing Authority under and by virtue of Chapter 157 of the General Statutes of North Carolina;

WHEREAS, Hickory City Council, by resolution, on June 5, 1984 increased the number of commissioners on the Hickory Public Housing Authority to seven, effective July 1, 1984.

WHEREAS, North Carolina General Statute 157-5 (a) allows the number of commissioners to consist of not less than five nor more than eleven commissioners appointed by the Mayor.

WHEREAS, Hickory City Council has determined that two additional Commissioners need to be appointed.

NOW, THEREFORE, BE IT RESOLVED:

The number of Commissioners for the City of Hickory Public Housing Authority is hereby increased from seven to nine, effective July 19, 2016, to be appointed by the Mayor, as provided by General Statutes 157-5 (a).

The term, duties and authorities of said additional Commissioners shall be the same as other Commissioners.

R. Approved on First Reading Budget Revision Number 1.

ORDINANCE NO. 16-31
BUDGET REVISION NO. 1

BE IT ORDAINED by the Governing Board of the City of Hickory that pursuant to N.C. General Statutes 159.15 and 159.13.2, the following revision be made to the annual budget ordinance for the fiscal year ending June 30, 2017 and for the duration of the Project Ordinances noted herein.

SECTION 1. To amend the General Fund within the FY2016-17 Budget Ordinance, the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Public Safety	12,180	-
Culture & Recreation	78,824	-

TOTAL	91,004	-
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To provide funding for the above, the General Fund revenues will be amended as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	91,004	-
TOTAL	91,004	-

SECTION 2. To amend Capital Project #B1A001, “Bond Projects- Administrative Costs”, the expenditures are to be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
General Capital Projects	-	1,370
TOTAL	-	1,370

To amend the project revenues for the above, the revenues will be changed as follows:

FUNCTIONAL AREA	INCREASE	DECREASE
Other Financing Sources	-	1,370
TOTAL	-	1,370

SECTION 3. Copies of the budget revision shall be furnished to the Clerk of the Governing Board, and to the City Manager (Budget Officer) and the Finance Officer for their direction.

- IX. Items Removed from Consent Agenda – None
- X. Informational Item

A. Report of Alderman Guess’ Travel to Town Hall Day, Raleigh, NC, June 8, 2016 (Registration - \$25; Meals - \$20.50).

B. Report of Former City Manager Mick Berry’s Travel to NCCCMA Summer Conference, Asheville, NC, June 23 – June 24, 2016 (Lodging - \$202.27; Meals - \$41.00; Registration - \$250.00; Mileage Reimbursement - \$81.32).

Interim City Manager Andrea Surratt reiterated the travel for Alderman Guess and former City Manager Mick Berry.
- XI. New Business:

A. Public Hearings

B. Departmental Reports:

1. Approved on First Reading a Memorandum of Understanding with Habitat for Humanity of the Catawba Valley, Inc. for the Housing Rehabilitation Programs.

Habitat for Humanity approached the City regarding a new partnership which will enable the expansion of their housing rehabilitation program in the hopes of benefiting more families in the City of Hickory. The Memorandum of Understanding (MOU) describes the coordination efforts that each organization will take when managing their housing rehabilitation programs. This was suggested by Habitat for Humanity to assist them in outlining their partnership with the City of Hickory when requesting funds from local donors and other agencies. Habitat’s rehabilitation program is set to receive \$30,000 through the 2016-2017 Community Development Block Grant Program. In addition, the City and Habitat will continue their partnership where the City offers reimbursement for the cost of water and sewer taps for new homes. This program is funded through the Public Utilities Division budget. Habitat requests funds through this program on an annual basis. The dollar value of these water and sewer taps has been valued at between \$2,000 and \$3,000 per year over the past few years. Staff recommends approval of the Memorandum of Understanding between the City of Hickory and Habitat for Humanity of the Catawba Valley, Inc.

Interim City Manager Andrea Surratt asked the City’s Community Development Manager Dave Leonetti to the podium to present Council with a Memorandum of Understanding with Habitat for Humanity of the Catawba Valley Inc. for the Housing Rehabilitation Program. She advised that Habitat for Humanity’s Executive Director Mitzi Gellman was also present for the presentation.

Community Development Manager Dave Leonetti presented City Council with a Memorandum of Understanding between the City of Hickory and Habitat for Humanity of the Catawba Valley Inc. He presented a PowerPoint presentation.

He discussed background which went back to the 2015-2019 consolidated plan which is prepared every five years through the Community Development Block Grant (CDBG) program. That was adopted in May of 2015. One of the high priority goals listed in that plan was the development and stability for owner occupied housing within the City of Hickory to help stabilize the housing stock. That was talked about a lot during the public meetings and the meetings with other organizations. Many of the low income families within the City lack the funds to perform basic maintenance on their homes. A lot of times that leads to small issues that then become big issues, where they are calling the City and the City needs to provide assistance with a \$2000 or \$3000 dollar repair that could have been done more easily if they had the \$400-\$500 to fix it more easily. The City's Code Enforcement Division estimated at least 500 houses in the City which need some level of repair. Repairs range from HVAC systems; old fuse boxes which need replacement; or plumbing leaks. Plumbing leaks are one of the big ones, which is one of the things that causes the huge problems. For example they would have to do the entire floor of a house where there was a leak in the kitchen.

Mr. Leonetti advised the City currently has two separate programs. Forgivable loans through urgent repair funding which comes from the Housing Finance Agency. The City had received \$75,000 from the North Carolina Housing Finance agency this year, which was the most that they had ever gotten from them. They are planning on doing 10-12 homes with that funding, spending up to \$8000 on an individual house. They also have CDBG funding, which included deferred loans for citizens that earn less than 50 percent of the area median income, and amortized loans for citizens earning between 50 and 80 percent of the area median income. For example 50 percent of the area median income is \$28,000 to \$29,000 for a family of four, and 80 percent of the area median income is around \$39,000 for family of four living in the City. With a deferred loan, they don't make any payments as long as they continue to live in the house. If they live there for at least five years then half of the balance is forgiven, the remainder is paid off whenever they sell the house or move out. The amortized loans are three percent interest rates which are paid on a monthly basis.

Alderman Seaver asked if the City took a lien on the ones that half was forgiven.

Mr. Leonetti advised that the City puts a lien on both of the CDBG programs. They sign a promissory note for the urgent repair forgivable loan, but that it is not a secured loan. The Housing Finance Agency does require the City to do that. He advised the City had partnered with Habitat on new construction for a number of years with water and sewer taps and other funds as they have become available on new construction. The housing rehabilitation was newer for the past few years and the City had provided some funding for them to do rehabilitation mainly on Habitat's houses. The Habitat homes are aging and are starting to have some significant upgrades needed. For example, new roofs, or heating systems. That was what the funding had been used for the last few years. The Habitat repairs program is branching out to the general public. With City funding they had worked on five or six houses in 2014/2015 and eight so far with 2015/2016 funding. The goal with this partnership is to serve as many families as possible. Overall the City's funding had been down consistently over the past few years, with the exception of the North Carolina Housing Finance Agency, being able to get an extra \$25,000 from them. There are also fewer households meeting the loan criteria for the amortized and deferred loans. They can't do the deferred loans if there is no equity in the house. Habitat will work with the ones that don't meet the loan criteria and they can also handle some of the smaller jobs because they have some skilled staff and volunteers which they are able to leverage on some of the jobs. The City has to bid out all of our jobs. They can spend \$300-\$400 on a house. The City would not be able to get involved, with having to bid the job out a lot of contractors won't bid on items that are less than \$1,500 or \$2,000.

Alderman Seaver asked if the work would be provided by Habitat for rehabilitation.

Mr. Leonetti responded yes, for Habitat's portion. The City will still continue on the loan programs to bid those jobs out. Habitat is also able to leverage some different funding from private foundations and private companies. Piedmont Natural Gas had given them some funding that they are able to use for energy efficiency improvements. He advised the funding agreement in the amount of \$30,000 and was approved on the consent agenda. The budget for the funds was done in May with the Action Plan. They also have approximately \$25,000 to \$28,000 of funding that they are working through that was approved originally in December. Some of those funds remain as well. Habitat will also provide in-kind shingle donations to the City for use on the City's jobs. It helps make the funding go further. He advised with urgent repairs the City is limited to \$7,200 in hard cost. He shared a story where the City was able to do the roof and the entire kitchen floor and cabinets of a home for \$7,200. Whereas, without the shingle donation

the roof would have cost approximately \$5,000 and there would have only been \$2,000 left that might have fixed the leak but not actually repaired the floor. He gave another example of those dollars helping the citizens. Using those materials cut approximately \$19 per month off the payment to the City. That is \$19 more a month that citizen has in his pocket because the City was able to make use of those donated shingles from Habitat. He advised that the Memorandum of Understanding was to coordinate to insure that they are not duplicating services. The City having use of the in-kind donated roof shingles and other materials as available. They are planning on continuing as much funding as is available. There was not a commitment in the Memorandum of Understanding. The funding agreements will remain separate, those will be done with the CDBG budget cycle each year. Council will approve those in April or May and the funding agreements will follow in June or July. One of the big things too is Habitat will have this partnership outlined in a document so they can show that to other funders, cities, foundations, and organizations when they are doing their fund raising. This Memorandum of Understanding will end June 30, 2018 and it will be reevaluated at that time. Staff recommended approval. He asked Mitzi Gellman to the podium to update Council on Habitat. He thanked Charlie Dixon for all of his hard work on the partnership. They had been working with Mr. Dixon over the past year with this agreement. Unfortunately Mr. Dixon did not get to see it through.

Alderman Seaver commented that the way City Staff managed the CDBG money was admirable. The way they recycle the money to help more people all of the time. He asked how many families had been served by Habitat.

Executive Director Mitzi Gellman asked for clarification on Alderman Seaver's question.

Alderman Seaver responded homeowners specifically, if it was rehab or building a home.

Ms. Gellman advised in terms of new homes approximately 175. She advised that some of the members would live in the house and then sell it back to them and they would put another family into it. She estimated in terms of new homes into homeownership was 178 to 180. She advised the program had been successful in terms of repairs. From February 12, 2016 to July 15, 2016 they averaged two people per day looking for repairs. Some days it is three or four. Most of them are elderly women, who are widowed and have lived in their homes for 30 years plus and they are trying to maintain where they are. In terms of people that have called for service, 180 during the period of February to July. They had 88 applications out and pending. She advised that have a short application process which is sent out to people who call. They can choose to send it in or not. There is paperwork which is required to verify their income. There are 10 applications currently in processing right now through Family Services. She advised that Construction Supervisor, Richard Greathouse had 12 applications on his desk which are waiting for a site visit to do an assessment of the work that is needing to be done. There was a total of ten applications for completion of the work after the site visit and they had discussed the payments with the families. They have 59 applications that they have closed. Either at the time they called they did not have funding available, or they were unable to make any payments back to Habitat for any of the services, or they lived in mobile homes, or maybe they didn't own the house, they were actually renting it. The program is set up for homeowners, for homeownership. Low income, disabled, elderly, or families with a lot of children will be considered as well. When they set it up they were thinking that they could work as high as 80 percent of the area median income, but they found that most of the applications that they are receiving is well below that. Most of the applicants are 10 to 30 percent of the area median income. They are scaling the payments so when the family qualifies they may make only two payments, typically the amount is around \$100, sometimes \$30 at the beginning of the project and another \$30 or \$40 at the end of the project because that is all they can actually afford. They are gauging that based on what their monthly income is, and it is a percentage of their monthly income over the first part of the project, and the end of the project. Their goal is not to be competitive with the Urgent Repair Program through the Housing Finance Agency, but whether to take that program, leave it in place, and see what else that can do in addition to what is already available. They want to be able to serve a lot more families. She referenced Mr. Leonetti's comments about the roof shingles, which made her feel good about that. When she was before Council in December to make the presentation one of the things that she discussed was that it was going to be little small drops in the bucket. Eventually it might make a difference for some people, and to know that \$19 in some guys pocket on a monthly basis can actually change the way that he lives. For some of those folks on a margin, it really does make a huge difference. She thanked Staff for the Memorandum of Understanding. She advised they had discussed it for months and that it had taken a lot of work to get it ironed out. She advised that she and

Cliff Moone went to see Mr. Dixon in the nursing home at Apex before Mr. Dixon was too ill to take guests. She had told Mr. Dixon that they had the Memorandum agreed to and it was going to City Council. That made him smile. It was important to Mr. Dixon because he knew that in his years with helping non-profits raise money, it was the best thing to have an endorsement from the City of Hickory in your back pocket when you went out into the County. Habitat's plans are to do that now. She was grateful for Staff's work on that.

Ms. Gellman updated Council on where they are now. They started in December with their Habitat families. They worked with the Habitat families to begin with. If they made mistakes it was better to do it with people who knew them rather than with people who didn't. They intentionally worked with some of their older Habitat families to get some of their houses back into shape where they needed to be. The building code/standards had changed dramatically since the first house that they built 30 years ago. She suggested that Council see an example of that on Falling Creek in the Habitat neighborhood there. She advised that the new houses they were building were terrific. They have worked through most of their problems with their Habitat families and now they have been casting their net out into the County and with a couple of homeowners within the City of Hickory. She gave an example of one of the homeowners that they worked with. She was roughly 80 years old and had COPD. She lived not far from Lenoir-Rhyne University. She had lived alone for a couple of years, but right now is raising her granddaughter. With COPD she is on oxygen. She has a kerosene heater because her gas furnace failed about a year ago. Her choices to keep warm in the wintertime were to turn off her oxygen to turn on the kerosene heater. When the house got warm enough, she would turn off the kerosene heater and turn her oxygen back on. They have worked with more than one or two, or three or four elderly women in need of repairs, and with income that couldn't substantiate any repairs at all.

Ms. Gellman advised that they are still launching their capital campaign. They are in a silent phase right now. They have money from Piedmont Natural Gas, which included two gifts totaling \$95,000, which are restricted to Piedmont Natural Gas customers for weatherization and also new heating systems. With the City of Hickory's additional funding that was voted and approved on in December they now have \$80,000. They also received a gift for \$50,000 from ER Carpenter, which they hope will be one of the first gifts with another two hopefully pledged toward the campaign. Tomorrow she will be submitting a request for \$200,000 to an unnamed person for the program as well. She advised there was another \$15,000 or so in miscellaneous gifts. They are forming their committees now and will begin making solicitations. She commented that some of Council was on their list, and she asked for them to be nice to them. She thanked Charlie Dixon for helping them get started with this. It was his idea that they do something big for their 30th Anniversary. She thought they might have bit off more than they could chew right now, but they seem to be pulling it together.

Alderman Seaver commented he didn't know if anybody knew what all that Mr. Dixon did in the City of Hickory and Catawba County. It was immeasurable. He found out new things all of the time. He commented when Mr. Dixon got things on his mind he would call him early on with his idea.

Ms. Gellman advised that she had five phone calls on July 4th a few years ago. Mr. Dixon would always start off by saying "have you thought about", or "I have been thinking about have you thought about this", and "what do you think". She was grateful to have gotten to know Mr. Dixon.

City Attorney John Crone commented that Mr. Dixon was one of the greatest lawyers in the Country, and a debate champ at Chapel Hill with Hershel Keener, another hometown person. What a great human-being.

Alderman Zagaroli commented that they would miss him.

Alderman Guess agreed. He asked if there was any further discussion regarding the partnership with Habitat for Humanity.

Alderman Seaver moved seconded by Alderman Zagaroli approval of the Memorandum of Understanding with Habitat for Humanity of the Catawba Valley, Inc. The motion carried unanimously.

Alderman Guess announced that the motion was made by Alderman Seaver seconded by Alderman Zagaroli and the motion carried unanimously.

2. Appointments to Boards and Commissions

BOND IMPLEMENTATION COMMISSION

(Terms Expiring 2-1; 3 Year Terms) (Appointed by City Council)
 Mayor's Appointment Unexpired Term of Charlie Dixon (2-1-19)

BUSINESS DEVELOPMENT COMMITTEE

(Terms Expiring 6-30; 2 Year Terms) (Appointed by City Council)
 At-Large (Council Appoints) VACANT

CITIZENS ADVISORY COMMITTEE

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
 At-Large (Council Appoints) VACANT

COMMUNITY APPEARANCE COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
 Ward 3 (Seaver Appoints) VACANT
 Ward 4 (Guess Appoints) VACANT
 At-Large (Outside City but within Hickory Regional Planning Area)
 (Council Appoints) VACANT
 At Large (Council Appoints) VACANT

COMMUNITY RELATIONS COUNCIL

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
 Caucasian (Council Appoints) VACANT
 Other Minority (Council Appoints) VACANT
 Other Minority (Council Appoints) VACANT

HICKORY REGIONAL PLANNING COMMISSION

(Terms Expiring 6-30; 3-Year Terms With Unlimited Appointments)
 (Appointed by City Council)
 Ward 2 (Tarlton Appoints) VACANT
 Burke County (Mayor to Nominate) VACANT
 Brookford (Mayor to Nominate) VACANT

HISTORIC PRESERVATION COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
 Historic Properties (Council Appoints) VACANT
 Building Trades Profession (Council Appoints) VACANT
 At-Large (1) (Council Appoints) VACANT

INTERNATIONAL COUNCIL

(Appointed by Mayor with the Concurrence of City Council)
 (6) Positions VACANT

LIBRARY ADVISORY BOARD

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
 Ward 4 (Guess Appoints) VACANT
 At-Large (Mayor Appoints) VACANT

PARKS AND RECREATION COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
 Ward 2 (Tarlton Appoints) Susan Sigler
 (Eligible for Reappointment/Willing to Serve)
 At-Large (2) (Council Appoints) VACANT
 At-Large (3) (Council Appoints) VACANT

PUBLIC ART COMMISSION

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
 At-Large (Mayor Appoints) VACANT
 At-Large (Mayor Appoints) Harold Humphrey
 (Eligible for Reappointment/Willing to Serve)

PUBLIC HOUSING AUTHORITY

(Terms Expiring 6-30; 5-Year Terms) (Appointed by the Mayor)

Contingent upon the passing of the Resolution to increase the number of commissioners, Mayor Wright appoints Dr. Trish Johnson to Position 8 on the Public Housing Authority.

RECYCLING ADVISORY BOARD

(Terms Expiring 6-30; 3-Year Terms) (Appointed by City Council)
 Ward 2 (Tarlton Appoints) VACANT
 Ward 3 (Seaver Appoints) VACANT
 Ward 4 (Guess Appoints) VACANT
 At-Large (Council Appoints) VACANT

At-Large (Council Appoints)

VACANT

City Attorney John Crone advised that Mayor Wright had requested to appoint Dr. Trish Johnson to the Public Housing Authority Board pursuant to Council's authority to do so from the Resolution which had changed the board members from seven to nine.

Alderwoman Patton moved seconded by Alderman Guess approval of Mayor Wright's appointment of Dr. Trish Johnson to the Public Housing Authority Board Position 8. The motion carried unanimously.

Alderman Guess announced that the motion was made by Alderwoman Patton, he seconded, and the motion carried unanimously.

C. Presentation of Petitions and Requests

XII. Matters Not on Agenda (requires majority vote of Council to consider)

XIII. General Comments by Members of Council, City Manager or City Attorney of a Non-Business Nature

Alderwoman Patton commented that the new Dog Park opened this past weekend and it was a very nice facility and had lots of happy furry animals there. It was a lot of fun.

Alderman Guess joked that the City had officially gone to the dogs.

Alderman Seaver asked if there had been any questions or request from Uber.

Interim City Manager Andrea Surratt advised that they had not received any request about Uber.

Alderman Guess commented that he was asked as well, and some other Councilmembers had been asked the same thing. He wasn't sure how that worked, if it was an individual, or a company. He was not that familiar with it. He requested that Staff look into that and find out how it works.

XIV. There being no further business, the meeting adjourned at 7:46 p.m.

Alderman Guess

City Clerk